Basel

May 8, 1944

Confidential

The Honorable Leland Harrison, American Minister, Bern.

Sir:

I have the honor to report as follows:

My British colleague, Consul General Pyke, is authority for the statement that an important German industrialist of Frankfort in the photo-chemical manufacturing trade was in Basel three weeks ago on a peace mission. He was not free to reveal the identity of this German, he said, but that the name of this man had been communicated to his Legation, Bern. This Frankfort industrialist, after a two weeks' visit to this country, returned home, and before his departure charged friends here to approach the british Consulate General with the question as to whether or not the British here were prepared to receive the visit of this German industrialist in the near future and define for him "Anglo-Saxon terms for the unconditional surrender of the German armed forces". My British colleague replied that the matter would be referred to his Legation immediately.

It would appear that Mr. Hans Seligman a former Berlin banker who has been conducting a banking business here since 1935 under the name of Hans Seligman-Schürch and Company, Kaufhausgasse 7, served as an intermediary between the Frankfort man's Basel representative and the British Consulate General. I was informed that the Frankfort man was acting for "military circles close to Marshal Rundstedt".

In this general connection, I may say that a certain Herr Freudenberg of the Weinheim Badische Lederfabrik was also here some five or six weeks ago, and while here endeavored to get in touch with the Swiss Political Department as he also seems to have had some sort of peace mission. It would seem that he had conversations with the following gentlemen while in this country; Dr. WIRTH, former Chancellor of the German Empire; Wilhelm ABEGG, an attorney-at-law, Zurich, who seems to enjoy both Swiss and

German

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German nationality and to have been Under-Secretary of State in the German Ministry of Justice until Hitler came into power; And heat Herr ANDRAI, formerly a German banker of Frankfort and Berlin; and a certain Mr. NOWAK, believed to be an Austrian who, while in Vienna, was connected with the Associated Press (American). All are said to live at or near Zurich.

> A certain Max DOERNER, former German banker now living in "retirement" at Locarno, also seems to have been in touch with Herr Freudenberg recently. Doerner is known to maintain excellent relations with the German Military Attaché at Bern, namely, Colonel Iwan von Ilsemann. His relations with the Germans at Bern may possibly dovetail with the Rundstedt angle brought out in my conversation of yesterday with Mr. Pyke.

What progress Herr Freudenberg was able to make is not known, but it seems his efforts to reach and interest Mr. Pilet Golay of the Swiss Political Department in the matter failed. It is not known from whom Freudenberg received his peace mandate; however, this German industrialist is said to be a power in his own country and now an ardent peace advocate, having recently remarked, "Es ist fertig mit Deutschland" and that it was high time something be done to save the little in the Reich that yet

I have since heard that Herr Freudenberg is the most important leather manufacturer in the Reich and is heavily interested financially in a large Swiss tannery near Lausanne, apparently not listed. Moreover, a year or so ago leather was furnished the Bally Shoe Manufacturing Company by him, which made possible the manufacture and delivery of one of the largest orders ever executed by the Ballys, presumably for German account. He is said to have spent some time at Schoenenwerd during his recent visit to Switzerland.

Whether or not these maneuvers (coming as they do from different directions) are to be taken seriously or present a move to interfere with the Anglo-Saxon invasion of the continent remains to be seen.

Respectfully yours,

Walter H. Sholes American Consul General